



# **The Scottsdale/Paradise Valley Tourism Study Part II: Visitor Statistics**

**October 2005  
City of Scottsdale  
Economic Vitality Department**

## Part II: Visitor Statistics

**October 2005**

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# STUDY OVERVIEW

## Part I: Lodging Statistics

Part I of the Scottsdale/Paradise Valley Tourism Study analyzes trends relating to the lodging industry in the Scottsdale/Paradise Valley tourist market area. The study looks specifically at trends in local transient occupancy tax (bed tax) collection, room inventory, average room rates, occupancy rates, and other factors relating to lodging trends. The Lodging Statistics study is designed to provide necessary data relating to the lodging industry for developers, local hoteliers, tourism marketing representatives, financing agencies, and others with an interest in hospitality industry trends.

“The Scottsdale/Paradise Valley Tourism Study, Part I: Lodging Statistics” report is prepared annually and is available at no charge from the City of Scottsdale Economic Vitality Department, or at [www.scottsdaleaz.gov/economics/reports](http://www.scottsdaleaz.gov/economics/reports).

## Part II: Visitor Statistics

Part II of the Tourism Study analyzes trends relating to tourists themselves. It examines the total number of tourists, their spending patterns and socio-demographic profiles, and the overall economic impact of the tourism industry in the study area. The Visitor Statistics study is designed to provide data that gives a profile of the type of tourist that comes to the area, and to evaluate the economic impact tourism has on the community.

“The Scottsdale/Paradise Valley Tourism Study, Part II: Visitor Statistics” report is prepared once a year, and is available at no charge from the City of Scottsdale Economic Vitality Department, or at [www.scottsdaleaz.gov/economics/reports](http://www.scottsdaleaz.gov/economics/reports).

The Economic Vitality Department welcomes your input and suggestions for changes and additions in future issues of this publication, and is pleased to grant permission to use excerpts from this material when credit is given to the City of Scottsdale.

# THE SCOTTSDALE/PARADISE VALLEY TOURISM STUDY

## Introduction

The purpose of “The Scottsdale/Paradise Valley Tourism Study: Parts I and II” is to provide assistance, through collected industry data, to entities evaluating tourism, retail, or hospitality opportunities in the study area; to provide market information to tourism, retail, and hospitality operations located in the study area; and to provide information to elected officials, city management, and the general public regarding the tourism and hospitality markets.

## Study Limitations

The information contained in this study is based on tax collection figures, previous studies, local estimates based on metro area figures, and other data sources. The use of such a variety of sources may cause concern for some; however, the City believes these figures provide the best available data.

## Definition of Terms

Throughout this study, the following terms will be used in describing visitor statistics:

### Areas

**Scottsdale** – within the corporate limits of the City of Scottsdale

**Paradise Valley** – within the corporate limits of the Town of Paradise Valley

**Other** – within the Scottsdale/Paradise Valley market area; including portions of East Phoenix, North Tempe, Carefree, Cave Creek, and Fountain Hills (see *Map 1, pg. 9*)

### Visitors

**Hotel Visitor** – visitor occupying a transient lodging room in the market area

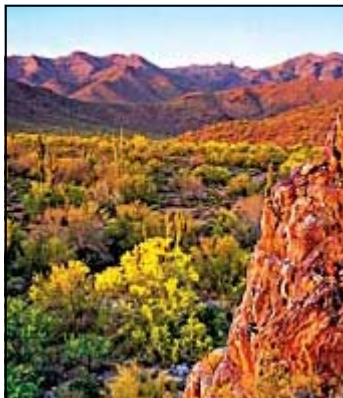
**Seasonal Visitor** – visitor occupying a residence (owned or rented) for less than a full year in the City of Scottsdale

**Houseguest** – visitor staying with an existing, year-round household in the City of Scottsdale

**Day Visitor** – visitor not staying overnight in the market area

## EXECUTIVE SUMMARY

- ◇ Scottsdale hosted an estimated 7.4 million visitors in 2004, with an economic impact of \$2.7 billion.
- ◇ The City of Scottsdale was visited by 6.1 million day visitors in 2004
- ◇ The typical overnight leisure traveler to Scottsdale is 51 years old with a median household income of \$83,800. These visitors come mainly from the Midwestern and Western regions of the United States.
- ◇ Tourists to the Scottsdale area have a tremendous impact on revenue for the City. Privilege tax collections attributable to visitors for FY04/05 totaled \$28.8 million.
- ◇ Scottsdale's most desirable attributes, as ranked by visitors are: shopping, outdoor recreation, cultural heritage, night life, and golf.
- ◇ The total number of visitor nights spent in Scottsdale hotels 2004 was 6.5 million.
- ◇ Visitors spent over \$2.7 billion, directly and indirectly, in Scottsdale in 2004.
- ◇ At the end of calendar year 2004, the average room rate for market area hotels was \$134.20, and occupancy was 66.6 percent.



## **THE SCOTTSDALE/PARADISE VALLEY MARKET AREA**

The market area map (pg. 9) shows the boundaries of the Scottsdale/Paradise Valley market area. This area contains all of the City of Scottsdale and the Town of Paradise Valley; and portions of the cities of Phoenix and Tempe; and parts of the towns of Carefree, Cave Creek, and Fountain Hills.





# Map 1 MARKET AREA

- - - City Limits
- - - Market Area

JOY RANCH

STAGECOACH PASS

CAREFREE HWY.

DOVE VALLEY

LONE MOUNTAIN

DIXILETA

DYNAMITE

JOMAX

HAPPY VALLEY

PINNACLE PEAK

DEER VALLEY

BEARDSLEY

OUTER LOOP  
UNION HILLS

BELL/FRANK LLOYD  
WRIGHT BLVD.

GREENWAY

THUNDERBIRD

CACTUS

SHEA

DOUBLE TREE

McCORMICK PKWY.

INDIAN BEND

LINCOLN

McDONALD

CHAPARRAL

CAMELBACK

INDIAN SCHOOL

THOMAS

McDOWELL

McKELLIPS

Town of  
Carefree

City of  
Scottsdale

Town of  
Fountain Hills

Town of  
Paradise Valley

56th ST.

64th ST.

SCOTTSDALE

HAYDEN

PIMA

104th ST.

110th ST.

120th ST.

124th ST.

130th ST.

136th ST.

Outer Loop - Pima Freeway 101

Indian Bend Wash

C.A.P.

CANAL

# ATTRIBUTES OF THE SCOTTSDALE TOURISM MARKET

## Scottsdale Tourism Industry

The hospitality industry, represented by premier desert resorts and specialty shopping, has characterized Scottsdale's lifestyle for decades. The growth of this industry has kept pace with Scottsdale's overall economic growth.

The evolution of the lodging industry in Scottsdale has paralleled that of the Southwest. In the early days of Scottsdale's hospitality industry, dude ranches and health spas flourished. In the 1960's, the development of the local art industry and specialty shopping districts blossomed as the resort hotel industry expanded. This ultimately gave way to the full service, amenity-laden, recreation properties that have made the resort business in Scottsdale unique, attractive, and successful. Today, Scottsdale is an internationally recognized tourism destination community. Scottsdale is widely known for its spectacular golf courses, recreational amenities, climate, five-star resorts, numerous events and attractions, the Sonoran desert, world-class restaurants, and art galleries.

## Scottsdale Visitor Profile

*Table 1* (pg. 11) provides a brief profile of the typical leisure traveler to Scottsdale. The profile is based on data compiled by the Behavior Research Center in 2005, based on telephone surveys of 600 inquirers to the Scottsdale Convention and Visitor's Bureau.

Nearly two-thirds of all visitors say their Scottsdale experience was excellent, and that they are extremely likely to return.

Table 1  
**Scottsdale Leisure Traveler Profile**  
 Fiscal Year 2004/2005

<b>Purpose of Visit</b>		<b>Region of Origin</b>	
Personal	91%	Midwest	27%
Business/Convention	9%	Northeast	24%
<b>Median Age</b>		South	29%
<b>Gender</b>		West	20%
Male	42%	<b>Accommodations</b>	
Female	58%	Full-Service Hotel	22%
<b>Income</b>		Resort	33%
Median	\$83,800	Hotel/Motel	13%
<b>Length of Visit</b>		Other	32%
Day	5%	<b>Travel Party Size</b>	
1-2 Days	12%	1	12%
3-4 Days	28%	2	49%
5-7 Days	44%	3-4	27%
8+ Days	11%	5+	12%
<b>Travel Mode</b>		<b>Desirable Activity (rank order)</b>	
Airplane	73%	Shopping	1
Personal Car	18%	Outdoor Activities	2
Rental Car	8%	Cultural Heritage	3
Other	1%	Nightlife	4
<b>Date of Visit</b>		Golf	5
Apr. - Jun. 2004	1%	<b>Satisfaction</b>	
Jul. - Sept. 2004	5%	Excellent	65%
Oct. - Dec. 2004	16%	Good	31%
Jan. - Mar. 2005	39%	Okay	4%
Apr. - Jul. 2005	39%	Poor	0%

**Source:** Behavior Research Center, Scottsdale Visitor Inquiry Study, July 2005

## VISITORS TO THE SCOTTSDALE/PARADISE VALLEY MARKET AREA

The methodology used to determine the impacts of the estimated number of visitors to the City of Scottsdale is as follows: the total number of visitors and visitor nights by category are determined, the respective expenditure patterns and values appropriate to each visitor category are applied and aggregated, and then the total value of visitor economic impact is determined.

### Number of Visitors

*Table 2* (pg. 13) presents the total occupied hotel room nights for the Scottsdale/Paradise Valley market area in 2004. The total number of available rooms in each of the three sub-areas (the City of Scottsdale, the Town of Paradise Valley, and the additional properties considered to be part of the Scottsdale/Paradise Valley market area) is multiplied by 365 in order to determine the number of available room nights. The number of available room nights is then multiplied by the occupancy rate to determine the total number of occupied room nights. Based on the 2004 average occupancy rate of 66.6 percent, the total number of occupied room nights in 2004 was 3,609,643.

*Table 3* (pg. 13) shows the total number of visitors to the market area. To determine the total number of visitors, the total number of occupied room nights is multiplied by the average number of persons per room, providing a figure for total visitor nights (one visitor night equals one person staying one night). The figure for total visitor nights is then divided by the average length of stay. The Behavior Research Center reports the median length of stay for Scottsdale hotel guests in 2004 was 5.2 days.

Using these calculations, the total number of hotel visitors in the Scottsdale/Paradise Valley market area in 2004 was 1,249,492.

*Table 3* also shows the calculations used to determine the total number of visitor nights and day visitors in the Scottsdale/Paradise Valley market area in 2005. The day visitor category is difficult to determine because there is no accurate way to measure this group. The number of visitors to the metro Phoenix area in 2004 was approximately 13.3 million. The total number of hotel visitors to the Scottsdale/Paradise Valley market area (1.2 million) was subtracted from this number and a capture ratio of 51 percent was applied to the balance (using the Behavior Research Center's findings of 64 percent of metro Phoenix visitors frequenting Scottsdale/Paradise Valley; and discounting that by 20 percent to eliminate those visitors who went only to Paradise Valley), making the number of estimated Scottsdale day visitors 6.1 million in 2004.

By summing the two categories in *Table 3 (Continued)* (pg. 14), the totals for visitors and visitor nights are determined.

Table 2  
**2004 Hotel Room Nights**  
 Scottsdale/Paradise Valley Market Area

	<b>Number of Rooms Available</b>	<b>x</b>	<b>Days</b>	<b>=</b>	<b>Available Room Nights</b>	<b>x</b>	<b>2004 Occupancy</b>	<b>=</b>	<b>Occupied Room Nights</b>
Scottsdale	8,848	x	365	=	3,229,520	x	66.6%	=	2,150,860
Paradise Valley	1,835	x	365	=	669,775	x	66.6%	=	446,070
Other Market Area Properties	4,166	x	365	=	1,520,590	x	66.6%	=	1,012,713
<b>TOTAL</b>	<b>14,849</b>	<b>x</b>	<b>365</b>	<b>=</b>	<b>5,419,885</b>	<b>x</b>	<b>66.6%</b>	<b>=</b>	<b>3,609,643</b>

**Source:** City of Scottsdale, Economic Vitality Department; Smith Travel Research

\*Scottsdale/Paradise Valley "Tourism Study, Part 1: Lodging Statistics", Feb. 2005

Table 3  
**Number of Visitors/Visitor Nights (2004)**

	<b>Occupied Room Nights</b>	<b>x</b>	<b>Persons per Room</b>	<b>=</b>	<b>Total Visitor Nights</b>	<b>\</b>	<b>Average Length of Stay</b>	<b>=</b>	<b>Total Visitors</b>
<b>Hotel Visitors</b>									
Scottsdale	2,150,860	x	1.8	=	3,871,548	\	5.2	=	744,528
Paradise Valley	446,070	x	1.8	=	802,926	\	5.2	=	154,409
Other Market Area Properties	1,012,713	x	1.8	=	1,822,883	\	5.2	=	350,555
Sub-Total	3,609,643	x	1.8	=	6,497,357	\	5.2	=	1,249,492
<b>Day Visitors</b>	6,193,961		-		-		-		= 6,193,961
<b>Total Visitors</b>	-		-		-		-		= 7,443,453

**Source:** City of Scottsdale, Economic Vitality Department

Table 3 (Continued)  
**Total Number of Visitors and Visitor Nights**

Total Number of Visitors						
	Hotel Visitors	Seasonal Visitors	Houseguest Visitors	Day Visitors	Total Visitors	Percent Change from Previous Year
1996	1,107,260	13,500	29,540	5,268,238	6,726,938	4.4%
1997	1,146,625	14,040	30,722	5,555,627	6,747,014	0.3%
1998	1,136,362	14,601	31,951	5,662,782	6,845,696	1.5%
1999	1,082,564	15,785	33,229	5,555,764	6,687,342	-2.3%
2000	1,084,179	15,792	34,558	5,584,852	6,719,381	0.5%
2001	959,045	***	***	6,034,851	6,993,896	4.1%
2002	1,076,721	***	***	6,138,845	7,215,566	3.2%
2003	1,216,846	***	***	6,205,601	7,422,447	2.9%
2004	1,249,492	***	***	6,193,961	7,443,453	2.8%

\*\*\* = Cannot be determined due to change in visitor accounting in 2001

Total Number of Visitor Nights						
	Hotel Visitors	Seasonal Visitors	Houseguest Visitors	Day Visitors	Total Visitors	Percent Change from Previous Year
1996	5,093,395	1,215,000	295,400	n/a	6,603,795	9.4%
1997	5,274,473	1,263,600	307,400	n/a	6,845,293	3.6%
1998	5,227,267	1,314,090	319,510	n/a	6,860,867	0.2%
1999	5,304,562	1,366,650	332,290	n/a	7,003,502	2.1%
2000	5,529,312	1,421,280	345,580	n/a	7,296,172	4.2%
2001	5,178,841	***	***	n/a	5,178,841	***
2002	5,921,964	***	***	n/a	5,921,964	14.3%
2003	6,327,599	***	***	n/a	6,327,599	6.8%
2004	6,497,357	***	***	n/a	6,497,357	2.6%

**Source:** City of Scottsdale, Economic Vitality Department

\*\*\* = Cannot be determined due to change in visitor accounting in 2001

## Visitor Spending Patterns

*Table 4* (pg. 16) details the breakdown of visitor spending patterns by area and type of visitor. The total dollar amounts spent per person per day are based on bed tax and sales tax revenues, and on previous research. This data has been updated and modified for Scottsdale based on local tax collection data.

Scottsdale visitors staying in hotels allocated their expenditures in the following manner: lodging 37 percent, food and beverage 25 percent, retail 14 percent, local transportation 9 percent, and entertainment 15 percent. Additionally, estimates were made as to what portion of each of these categories was actually spent in the City of Scottsdale, in order to determine total expenditures in Scottsdale.

*Table 4* also provides estimates of daily spending by hotel guests and day visitors. These figures are based on previous research and estimates that take into consideration existing conditions in Scottsdale and the types of visitors typically attracted to Scottsdale. Hotel guest spending per person per day in 2004 was \$196.18, while the average day visitor spent \$39.25 per day.

The total direct and indirect spending by visitors in Scottsdale in 2004 was approximately \$2.7 billion

Table 4  
**2004 Visitor Spending in Scottsdale**  
 Scottsdale/Paradise Valley Market Area

	<b>Scottsdale Hotel Visitor</b>	<b>Scottsdale Day Visitor</b>
Total Spent, Person/Day	\$196.18	\$39.25
<b>Lodging</b>		
% of Total Spent	37%	
\$ Spent	\$72.59	
% spent in Scts.	100%	
\$ spent in Scts.	\$72.59	
<b>Food &amp; Beverage</b>		
% of Total Spent	25%	40%
\$ Spent	\$49.05	\$15.70
% spent in Scts.	89%	100%
\$ spent in Scts.	\$43.65	\$15.70
<b>Retail Goods</b>		
% of Total Spent	14%	50%
\$ Spent	\$27.47	\$19.62
% spent in Scts.	83%	100%
\$ spent in Scts.	\$22.80	\$19.62
<b>Local Transportation</b>		
% of Total Spent	9%	3%
\$ Spent	\$17.66	\$1.18
% spent in Scts.	50%	100%
\$ spent in Scts.	\$8.83	\$1.18
<b>Entertainment/Attractions</b>		
% of Total Spent	15%	7%
\$ Spent	\$29.43	\$2.75
% spent in Scts.	75%	100%
\$ spent in Scts.	\$22.07	\$2.75
<b>TOTALS</b>		
% of Total Spent	100%	100%
\$ Spent	\$196.18	\$39.25
% spent in Scts.	87%	100%
\$ spent in Scts.	\$169.94	\$39.25

**Source:** City of Scottsdale, Economic Vitality Department



## Total Visitor Expenditures

*Table 5* (pg. 18) summarizes total visitor expenditures in Scottsdale in 2004. The daily expenditure rate per person from *Table 4* is multiplied by the percentage of those expenditures that are actually made in the City of Scottsdale. The figure is then multiplied by the total number of visitor nights, from *Table 3*, to determine the total expenditures made by Scottsdale visitors.

The total direct expenditures by visitors in the City of Scottsdale in 2004 amounted to over \$700 million. By applying a multiplier of 1.5, the total direct and indirect spending by visitors in Scottsdale in 2004 was approximately \$2.7 billion.

The visitor industry provides an estimated \$28.8 million (approximately 22 percent) of total privilege tax collections

Table 5  
**2004 Total Visitor Expenditures**  
 Scottsdale/Paradise Valley Market Area

	Daily Expenditure Rate/Person	Total Visitor Nights/Visitors	Total Market Area Expenditures	% Expenditures Made in Scdl.	Total Direct Expenditures Made in Scottsdale
<b>Scottsdale</b>					
Hotel Visitor	\$196.18	3,871,548	\$759,520,287	87.0%	\$660,782,649
Day Visitor	\$39.25	6,193,961	\$243,112,969	100.0%	\$243,112,969
<b>Paradise Valley</b>					
Hotel Visitor	\$196.18	802,926	\$157,518,023	37.0%	\$58,281,668
<b>Other Market Area</b>					
Hotel Visitor	\$196.18	1,822,883	\$357,613,187	28.0%	\$100,131,692
<b>Direct Expenditures</b>	-	-	\$1,517,764,466	-	\$1,062,308,979
<b>Indirect Expenditures*</b>	-	-	-	-	\$1,593,463,468
<b>TOTAL</b>	-	-	-	-	\$2,655,772,447

Source: City of Scottsdale, Economic Vitality Department

\*Using a multiplier of 1.5 (direct spending x 1.5)

## TOURISM IMPACTS ON SCOTTSDALE

The tourism industry is an integral part of economic activity in the City of Scottsdale, generating over \$2.7 billion in total economic activity within the community in 2004. The tourism industry is one of the most significant sources of revenue for the City of Scottsdale's operations.

### Visitor Fiscal Contributions

The visitor industry is a substantial revenue source for the City of Scottsdale's operations, primarily through bed tax and sales tax. Bed taxes (3 percent in Scottsdale) are paid directly on room rates. With sales tax, visitor expenditures are directly related in a variety of areas, including hotels, restaurants, miscellaneous retail, rentals, and automotive.

The visitor industry provides an estimated \$28.8 million (approximately 22 percent) of total privilege tax collections. Additionally, secondary revenue sources can be attributed to the visitor (property tax, fees for services, etc.); however, these amounts are not considered to be significant.

This section looks at the actual collections by the City of Scottsdale and assigns the proportions directly ascribed to visitors.

*Table 6* (pg. 20) provides a breakdown of all the sales taxes paid in FY04/05 by major category and total bed tax paid. By applying an estimate for each of these categories as to the percentage of the tax received from visitors, total privilege tax collections attributable to the visitor industry is determined. The percentages are estimated based on comparison of increases in sales tax revenues during peak season versus off-season, and ranged from a low of 3 percent to a high of 100 percent (bed tax).

Table 7  
**Direct Revenues from Visitor Expenditures**  
City of Scottsdale

<b>Privilege Tax Industry Sectors</b>	<b>2004/2005 Total Privilege Tax Collections</b>	<b>% Tax Attributable to Visitors*</b>	<b>2004/2005 Collections Attributable to Visitors</b>
Hotels/Motels	\$6,143,154	95%	\$5,835,996
Restaurants	\$9,215,316	25%	\$2,303,829
Department Stores	\$10,321,774	20%	\$2,064,355
Misc. Retail	\$19,406,446	25%	\$4,851,612
Other Taxable	\$8,007,254	15%	\$1,201,088
Rental	\$14,664,227	10%	\$1,466,423
Food Stores	\$8,297,434	5%	\$414,872
Construction	\$26,150,191	0%	\$0
Utilities	\$5,357,746	5%	\$267,887
Fees/Penalties/Interest	\$1,995,419	0%	\$0
Auto Related	\$21,167,158	5%	\$1,058,358
<b>SUBTOTAL</b>	<b>\$130,726,119</b>	<b>16%</b>	<b>\$20,916,179</b>
Bed Tax	\$7,904,540	100%	\$7,904,540
<b>GRAND TOTAL</b>	<b>\$138,630,659</b>	<b>22%</b>	<b>\$28,820,719</b>

**Source:** City of Scottsdale, Financial Services Department and Economic Vitality Department

\* Percentage based on sales tax data

## Fiscal Costs Related to Visitors

Once the fiscal contributions have been determined, the next step is measuring the direct and indirect costs borne by the City of Scottsdale as a result of the visitors.

The most significant costs incurred by the City as a result of the visitor industry are the operating expenses from the City's General Fund; including police and fire protection, parks and recreation, infrastructure, maintenance, etc. For this study, these operating expenses have been allocated among the various resident/visitor sub-groups to determine the annual municipal costs attributable to visitors.

*Table 7* (pg. 21) uses an allocation formula, based on the number of individual "person nights" spent by each group in the community (residents, hotel visitors, and day visitors), and assumes each person in the community uses City services on an equal basis. For example, Scottsdale residents demand services 365 days per year, while visitors to Scottsdale demand services (on average) five and a half days per year. These percentages are then applied to the municipal operating costs of the General Fund, as shown in *Table 8* (pg. 22). In FY04/05, the City of Scottsdale spent over \$147 million on these services. Based on the allocation of costs, just over \$15 million of Scottsdale's municipal operating costs were used to serve its annual visitor population.

Table 7  
**2004 Visitor/Resident Duration of Stay**  
City of Scottsdale

	Number	x	Duration of Stay (Days)	=	Total Person Days	Percent of Total
Resident	226,982	x	365	=	82,848,430	89.6%
Hotel Visitor	1,249,492	x	5.2	=	6,497,358	7.0%
Day Visitor	6,139,961	x	0.5	=	3,069,981	3.3%
<b>Total</b>	<b>7,616,435</b>		<b>-</b>		<b>92,415,769</b>	<b>100.0%</b>

**Source:** City of Scottsdale, Economic Vitality Department

Table 8  
**Municipal Operating Costs Attributable to Visitors**  
City of Scottsdale: 2004/2005

		<b>Municipal Operating Costs**</b>	
	<b>% of Total*</b>	<b>Resident Share</b>	<b>Visitor Share</b>
Resident	89.6%	\$132,314,914	-
Hotel Visitor	7.0%	-	\$10,337,103
Day Visitor	3.4%	-	\$5,020,878
<b>Total</b>	<b>100.0%</b>	<b>\$132,314,914</b>	<b>\$15,357,981</b>

**Source:** City of Scottsdale, Economic Vitality Department

\*Refer to Table 8

\*\*FY 2004/05 General Fund adopted budget for direct public service City departments (i.e., police, fire, community service, and municipal services) totaled \$147,672,895.

## Cost/Benefit Analysis

Scottsdale visitors make a significant contribution to the community's economy. Direct expenditures by visitors in Scottsdale were an estimated \$700 million for 2004 (refer to *Table 5*). Using a 1.5 multiplier, the total economic contribution (direct and indirect expenditures) of visitors to the community is derived at approximately \$2.7 billion.

Sales tax and bed tax payments by Scottsdale visitors in FY04/05 amounted to \$28 million. These are actual dollars that go into the City treasury. Visitor sales tax and bed tax represented approximately 22 percent of Scottsdale's total sales and bed taxes.

In FY04/05, the City of Scottsdale spent an estimated \$15,357,981 million in operation costs to support its visitors (refer to *Table 9*). The cost of supporting market area visitors is substantially less than the tax revenues received by the market area from visitors (refer to *Table 7*). In fact, it is estimated that the Scottsdale treasury received over \$13 million more than it expended in support of the visitor, resulting in a benefit/cost ratio of \$28,820,719 to \$15,357,981, or 1.9:1.0. The Scottsdale visitor is a cost-effective addition to the community because for every \$1.00 the City spends in operating costs to serve its annual visitor population, it receives \$1.90 in return.